## **Maine Revised Statutes**

## **Title 11: UNIFORM COMMERCIAL CODE**

## Article:

## §9-1334. PRIORITY OF SECURITY INTERESTS IN FIXTURES AND CROPS

(1). A security interest under this Article may be created in goods that are fixtures or may continue in goods that become fixtures. A security interest does not exist under this Article in ordinary building materials incorporated into an improvement on land.

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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(2). This Article does not prevent creation of an encumbrance upon fixtures under real property law.

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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(3). In cases not governed by subsections (4) to (8), a security interest in fixtures is subordinate to a conflicting interest of an encumbrancer or owner of the related real property other than the debtor.

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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- (4). Except as otherwise provided in subsection (8), a perfected security interest in fixtures has priority over a conflicting interest of an encumbrancer or owner of the real property if the debtor has an interest of record in or is in possession of the real property and:
  - (a). The security interest is a purchase-money security interest; [1999, c. 699, Pt. A,  $\S 2$  (NEW); 1999, c. 699, Pt. A,  $\S 4$  (AFF).]
  - (b). The interest of the encumbrancer or owner arises before the goods become fixtures; and [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
  - (c). The security interest is perfected by a fixture filing before the goods become fixtures or within 20 days thereafter. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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- (5). A perfected security interest in fixtures has priority over a conflicting interest of an encumbrancer or owner of the real property if:
  - (a). The debtor has an interest of record in the real property or is in possession of the real property and the security interest:
    - (i) Is perfected by a fixture filing before the interest of the encumbrancer or owner is of record; and
    - (ii) Has priority over any conflicting interest of a predecessor in title of the encumbrancer or owner; [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
  - (b). Before the goods become fixtures, the security interest is perfected by any method permitted by this Article and the fixtures are readily removable:
    - (i) Factory or office machines;
    - (ii) Equipment that is not primarily used or leased for use in the operation of the real property; or
    - (iii) Replacements of domestic appliances that are consumer goods; [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

- (c). The conflicting interest is a lien on the real property obtained by legal or equitable proceedings after the security interest was perfected by any method permitted by this Article; or [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (d). The security interest is:
  - (i) Created in a manufactured home in a manufactured-home transaction; and
- (ii) Perfected pursuant to a statute described in section 9-1311, subsection (1), paragraph (b). [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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- **(6)**. A security interest in fixtures, whether or not perfected, has priority over a conflicting interest of an encumbrancer or owner of the real property if:
  - (a). The encumbrancer or owner has, in an authenticated record, consented to the security interest or disclaimed an interest in the goods as fixtures; or [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (b). The debtor has a right to remove the goods as against the encumbrancer or owner. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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(7). The priority of the security interest under subsection (6), paragraph (b) continues for a reasonable time if the debtor's right to remove the goods as against the encumbrancer or owner terminates.

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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(8). A mortgage is a construction mortgage to the extent that it secures an obligation incurred for the construction of an improvement on land, including the acquisition cost of the land, if a recorded record of the mortgage so indicates. Except as otherwise provided in subsections (5) and (6), a security interest in fixtures is subordinate to a construction mortgage if a record of the mortgage is recorded before the goods become fixtures and the goods become fixtures before the completion of the construction. A mortgage has this priority to the same extent as a construction mortgage to the extent that it is given to refinance a construction mortgage.

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]
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(9). A perfected security interest in crops growing on real property has priority over a conflicting interest of an encumbrancer or owner of the real property if the debtor has an interest of record in or is in possession of the real property.

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[ 1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

SECTION HISTORY

1999, c. 699, §A2 (NEW). 1999, c. 699, §A4 (AFF).
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